



State of Utah

Department of
Natural Resources

Division of
Oil, Gas & Mining

ROBERT L. MORGAN
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OLENE S. WALKER
Governor

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March 23, 2004

TO: File

FROM: Paul Baker, Senior Reclamation Biologist

SUBJECT: Site Inspection, SUMMO USA Corp., Lisbon Valley Project, M/037/088, San Juan County, Utah

Date of Inspection: March 19, 2004
Time of Inspection: 12:00 to 2:20 p.m.
Conditions: Clear, 60's
Participants: Chuck Bauer, SUMMO; Paul Baker, DOGM

Purpose of Inspection:

To look at sites that were drilled and reclaimed in 1999 and 2000 and at the holes currently being drilled. I wanted to see if these sites were reclaimed to where they could be released.

Observations:

There are four groups of drill holes that we examined:

1. Ten holes on eight sites, proposed about September 8, 1999.
2. Fifteen holes proposed December 21, 1999.
3. Fifty-one holes proposed March 14, 2000.
4. Twenty-five holes proposed in 2003.

Copies of maps of the areas we visited are attached to this report.

We looked at the locations of five of the holes proposed in September 1999. These sites are shown in Photos 1, 2, and 3, and they represent sites A, E, and D, respectively, on the map the operator submitted.

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M/037/088

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I found minimal evidence of the drill holes themselves. Vegetation has progressed adequately that there is essentially no sign of erosion, and I believe it meets or exceeds the understory vegetation cover in surrounding areas. The soil surface has rock and litter very similar to adjacent areas.

Nearly all of the holes proposed in February 2000 were drilled in existing roads, so while I could see some gray on the surface, there was otherwise no evidence of most of the holes.

Some of the holes proposed in February 2000 and most of the holes proposed in March 2000 were drilled in a sagebrush flat. Many of the holes were drilled in lines. Photo 4 is typical of one of these lines. Vegetation in adjacent areas is almost entirely basin big sage, and it is clearly spreading into the disturbed areas. These disturbed areas have numerous sagebrush seedlings, and while they do not yet have as much cover as the surrounding areas, they will have this much cover in a few years.

Drilling and reclamation had not yet been completed at the sites approved in 2003. Holes 1, 2, 4, 5, 6, 7, 9, 17, 18, and 19 have been drilled and plugged. Holes 3 and 11 were left open for further testing, hole 8 was not drilled, and since the driller had had some problems on hole 12, it had not yet been completed. At the time of the inspection, I believe the driller was working on site 16. He does not anticipate drilling holes 21 and 25.

Conclusions and Recommendations:

The full bond being held for reclamation of holes drilled in 1999 and 2000 can be released or applied toward new disturbances.

The operator has plugged 11 of the 25 holes proposed in 2003. A total of \$150 was set aside in the bond for plugging holes; therefore, \$1650 could be released from the bond.

PBB:jb

cc: Moab BLM
Will Stokes, SITLA

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ATTACHMENT
Photographs

M/037/088, Lisbon Valley Mine, SUMMO USA

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Photo 1. Site A as shown on the map submitted August 16, 1999.



Photo 3. Site D as shown on the map submitted August 16, 1999.



Photo 2. Site E as shown on the map submitted August 16, 1999.



Photo 4. A clearing in the sagebrush typical of the areas drilled in 2000. Note the number of sagebrush seedlings.